

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

PATAGON MANAGEMENT LLC,

Plaintiff,

-against-

WEI "MAX" WU,

Defendant.

Case No. 1:23-cv-02742-VM

Hon. Victor Marrero

**AFFIDAVIT OF DIOGENES CASARES
REGARDING DEFENDANT'S
NON-COMPLIANCE WITH
TEMPORARY RESTRAINING ORDER**

STATE OF NEW YORK)

) ss

COUNTY OF NEW YORK)

Diogenes Casares, being first duly sworn, states:

1. I am the Chief Executive Officer of Plaintiff Patagon Management LLC ("Plaintiff"). In this capacity and unless otherwise stated, I have personal knowledge of the facts stated herein. I am over the age of 18 and, if called as a witness, could testify competently to those facts based upon that knowledge.

2. I am familiar with the above-captioned action and the documents associated with it, including this Court's order as of April 26th, 2023, which temporarily restrained and enjoined Defendant and anyone acting in concert with Defendant from taking any action to abscond with, transfer, remove, or otherwise move assets in four cryptocurrency wallets, and any other blockchain-based wallet that contains assets associated with the Spartacus DAO (including SPA or DAI) that is under control of Defendant. Two of the enjoined addresses are 0xFa5a5F0bC990Be1D095C5385Fff6516F6e03c0a7 ("Address 1") and 0x8CFA87aD11e69E071c40D58d2d1a01F862aE01a8 ("Address 2"). I identified Address 1 and

Address 2 in the April 25, 2023 Affidavit of Diogenes Casares in support of Application by Order to Show Cause (ECF No. 15) at paragraph 32(a) and paragraph 32(b), respectively.

3. On May 3, 2023, at or about 7:45pm EDT, I was able to access and view messages sent by the user “Spartacus” on a discord forum maintained by Spartacus for members of the Spartacus DAO. References to Defendant in this Affidavit refer to actions by the pseudonymous individual that is the user “Spartacus” who is believed to be Defendant Wu

4. One such message, posted at 12:44 EDT, stated that Defendant was “preparing the reduction of liquidity of SPA-DAI on spookyswap in a few hours as scheduled. The LP token will be withdrawn from the treasury and split. The remaining \$6M LP token will be re-deposited back to the treasury. The split SPA will be sent to a dead address and the DAI will be returned to the treasury. A multisig address will be used as an intermediary for this process.” A true and correct copy of this message is attached in Exhibit A.

5. Based on my experience as a member of Spartacus DAO, familiarity with the documents associated with Spartacus DAO including those which list the blockchain-based wallets with which it is associated, and personal use of blockchain-based assets and associated technologies, I understood this message to mean that the user Spartacus intended to transfer assets between various blockchain-based addresses, including Address 1 and Address 2. To my understanding a dead address is used to make tokens irrecoverable, also known as “burning.” Thus, I understand this to mean that Defendant intended to destroy SPA tokens, namely by sending them to a “dead address.”

6. Another message, posted at 1:41pm EDT, stated that “We have just completed the reduction of SPA-DAI LP. 253,839.79 SPA has been burned to the dead address and 7,916,854.68

DAI is returned to the treasury [Address 2].” A true and correct copy of this message is attached in Exhibit A.

7. Based on the foregoing, I understood that Defendant has transferred, removed, or otherwise moved assets—in particular at least 253,839.79 SPA and 7,916,854.68 DAI tokens—from and to Addresses 1 and 2, as of May 3, 2023. In addition, I understand that Defendant has transferred, removed, or otherwise moved assets in other blockchain-based wallets that contain assets associated with Spartacus DAO (including SPA or DAI) that are under control of Defendant. This includes blockchain-based address 0xd13E25f7fa66281b7D2C14755642A8aAc7F794c5 (“Address 3”), which, according to the blockchain explorer FTMScan, participated in the transfer of assets described in Paragraph 6. In particular, I understood that Defendant had removed from Address 1 both SPA and DAI Tokens, and defendant has burned (or made irrecoverable) 253,839.79 SPA tokens, and transferred 7,916,854.68 DAI tokens to Address 2.

8. This understanding is confirmed by viewing the public blockchain explorer FTMScan. FTMScan shows the interactions with Address 1¹ and Address 2², including by various other blockchain-based addresses, including interactions with Address 1 and Address 2 by Address 3.

9. FTMScan also confirms that on May 3, 2023, Address 3 conducted 18 transactions³ related to SPA, DAI, or other assets associated with Spartacus DAO, including transactions directly with Address 1 and 2. In at least some of these transactions, Defendant made SPA tokens irrecoverable, or destroyed them, by sending them to a “Null” address. In at least some of these transactions, Defendant moved DAI tokens from Address 1 to Address 2 by way of Address 3.

¹ <https://ftmscan.com/address/0xFa5a5F0bC990Be1D095C5385Fff6516F6e03c0a7>

² <https://ftmscan.com/address/0x8CFA87aD11e69E071c40D58d2d1a01F862aE01a8>

³ <https://ftmscan.com/address/0xd13E25f7fa66281b7D2C14755642A8aAc7F794c5#tokentxns>

Based on my review of these transactions and the statements by Defendant that he was preparing to move SPA and DAI assets, and then statements made by Defendant that he did “complete[]” such activity, it is my understanding that these transfers have been all been conducted by Defendant.

10. According to my review of the amount of assets moved by Defendant and their then present value, more than \$15,000,000 dollars’ worth of assets were transferred in these transactions.

11. I verify under penalty of perjury that the foregoing is true and correct.

Executed on May 5th, 2023

Reo

Diogenes Casares

Patricia A. Bliss

Notary Public, State of New York

Reg. No. 01BL6440061

Qualified in New York County

Commission Expires 09/06/2026

Subscribed and sworn to before me on this:

Date

May 5, 2023

Signature of Notary Public

Notary Public, State of New York

My commission expires: 9/6/2026.